



TRANSPORTATION APPROPRIATIONS BOILERPLATE DECISION DOCUMENT

FY 2007-08

House Subcommittee Chair's Recommendation for HB 4349

Compared to:

Current Law (Article 18, PA 345 of 2006),

Executive Recommendation, and SB 240 (as passed Senate Appropriations)

**House Appropriations Subcommittee on
Transportation**

Rep. Lee Gonzales, Chair, 373-7515

Rep. Marsha Cheeks, Vice-Chair

Rep. Pam Byrnes

Rep. Richard LeBlanc

Rep. David Agema, Minority Vice-Chair

Rep. Goeff Hansen

Mitch Bean, Director
William Hamilton, Fiscal Analyst
373-8080

Printed 8/20/2007 1:08 PM

Note: The shaded rows in this boilerplate review document represent boilerplate sections in which the House substitute differs from the Senate substitute.

DEPARTMENT OF TRANSPORTATION – Boilerplate

**FY 2006-07
CURRENT LAW**

FY 2007-08

EXECUTIVE

SENATE

HOUSE

CONFERENCE

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2006-2007 is \$2,225,331,000.00 and state spending from state resources to be paid to local units of government for fiscal year 2006-2007 is \$1,304,085,600.00. The itemized statement below identifies appropriations from which spending to units of local government will occur:

DEPARTMENT OF TRANSPORTATION

Grants to local programs.....\$ 33,000,000
Economic development fund.....22,903,400
Grants to cities and villages362,096,000
Grants to county road commissions.....649,447,500
Local bridge fund.....30,455,300
Grants to regional planning councils.....488,800
Local bus operating.....166,624,000
Bus capital.....27,226,500
Marine passenger service400,000
Detroit/Wayne County port authority.....500,000
Municipal credit program.....2,000,000
Specialized services4,100,100
Transportation to work4,844,000
Total payments to local units of government \$ 1,304,085,600

Updates fiscal years; total state spending from state resources is **\$2,121,665,000.00**; state spending from state resources to be paid to local units of government is **\$1,242,823,900.00**.

DEPARTMENT OF TRANSPORTATION
Grants to local programs\$ 33,000,000
Economic development fund16,567,200
Grants to cities and villages.....347,571,400
Grants to county road commissions.....623,396,400
Local bridge fund29,618,400
Grants to regional planning councils.....488,800
Local bus operating166,624,000
Bus capital13,613,600
Marine passenger service500,000
Detroit/Wayne County port authority500,000
Municipal credit program2,000,000
Specialized services4,100,100
Transportation to work4,844,000
Total payments to local units of government.....\$1,242,823,910

Updates fiscal years; total state spending from state resources is **\$2,134,665,000.00**; state spending from state resources to be paid to local units of government is **\$1,250,118,900.00**.

DEPARTMENT OF TRANSPORTATION
Grants to local programs.....\$ 33,000,000
Economic development fund.....23,087,200
Grants to cities and villages.....347,571,400
Grants to county road commissions.....623,396,400
Local bridge fund.....29,618,400
Grants to regional planning councils.....488,800
Local bus operating.....166,624,000
Bus capital.....14,388,700
Marine passenger service.....499,900
Detroit/Wayne County port authority.....500,000
Municipal credit program.....2,000,000
Specialized services4,100,100
Transportation to work4,844,000
Total payments to local units of government.....\$1,250,118,900

To be updated by HFA based on Part 1 appropriations,

Sec. 202. The appropriations authorized under this article are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Replaces "article" with "**bill**".

Replaces "article" with "**act**".

Replaces "article" with "**act**".

Sec. 203. As used in this article:

- (a) "CTF" means comprehensive transportation fund.
- (b) "Department" means the department of transportation.
- (c) "DOT" means the United States department of transportation.
- (d) "DOT-FHWA" means DOT, federal highway administration.
- (e) "DOT-FRA" means DOT, federal railroad administration.
- (f) "DOT-FRA, rail passenger/HSGT" means DOT, federal railroad administration, high-speed ground transportation.
- (g) "EDF" means economic development fund.
- (h) "FTE" means full-time equated.
- (i) "MTF" means Michigan transportation fund.
- (j) "RIF" means recreation improvement fund.
- (k) "SAF" means state aeronautics fund.
- (l) "STF" means state trunkline fund.

Replaces "article" with "**bill**".

Replaces "article" with "**act**".


Replaces "article" with "**act**".

DEPARTMENT OF TRANSPORTATION – Boilerplate

FY 2006-07 CURRENT LAW	FY 2007-08			
	EXECUTIVE	SENATE	HOUSE	CONFERENCE
Sec. 204. The department of civil service shall bill the departments and agencies at the end of the first fiscal quarter for the 1% charge authorized by section 5 of article XI of the state constitution of 1963. Payments shall be made for the total amount of the billing by the end of the second fiscal quarter.	No change.	Concurs with Executive	Concurs with Executive/Senate.	
Sec. 205. (1) A hiring freeze is imposed on the state classified civil service. State departments and agencies are prohibited from hiring any new state classified civil service employees and prohibited from filling any vacant state classified civil service positions. This hiring freeze does not apply to internal transfers of classified employees from 1 position to another within a department.	Replaces "new state classified civil service employees" with "new full-time state classified civil service employees".	Retains current law.	Retains current law.	
(2) The state budget director may grant exceptions to this hiring freeze when the state budget director believes that the hiring freeze will result in rendering a state department or agency unable to deliver basic services, causes loss of revenue to the state, would result in the inability of the state to receive federal funds, or would necessitate additional expenditures that exceed any savings from maintaining a vacancy. The state budget director shall report by the thirtieth of each month to the chairpersons of the senate and house of representatives standing committees on appropriations the number of exceptions to the hiring freeze approved during the previous month and the reasons to justify the exception.	Replaces, "would result in the inability" with "result in the inability"; replaces "or would necessitate" with "or necessitate"; revises report due date to quarterly; revises exceptions of the hiring freeze to the previous quarter's.	Retains current law.	Retains current law.	
	NEW SECTION: SEC. 206. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$200,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this bill pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.	Does not include.	Concurs with Executive.	
	(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$40,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this bill pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.	Does not include.	Concurs with Executive.	



DEPARTMENT OF TRANSPORTATION – Boilerplate

	FY 2006-07 CURRENT LAW	FY 2007-08			
		EXECUTIVE	SENATE	HOUSE	CONFERENCE
		(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$1,000,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this bill pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.	Does not include.	Concurs with Executive.	
		(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$1,000,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this bill pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.	Does not include.	Concurs with Executive.	
	Sec. 207. At least 90 days before beginning any effort to privatize, the department shall submit a complete project plan to the appropriate senate and house of representatives appropriations subcommittees and the senate and house fiscal agencies. The plan shall include the criteria under which the privatization initiative will be evaluated. The evaluation shall be completed and submitted to the appropriate senate and house of representatives appropriations subcommittees and the senate and house fiscal agencies within 6 months. As used in this section, "privatize" or "privatization" means the transfer of state highway maintenance functions or activities currently performed by department forces, or by boards of county road commissioners, county boards of commissioners, or local units of government under contract with the department, to private contractors.	Strikes.	Retains current law.	Retains current law.	
	Sec. 208. Unless otherwise specified, the department shall use the Internet to fulfill the reporting requirements of this article. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement or it may include placement of reports on an Internet or Intranet site.	Removes "Unless otherwise specified,;" replaces "article" with " bill ".	Replaces "article" with " bill ".	Replaces "article" with " bill ".	
	Sec. 209. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference should be given to goods or services, or both, manufactured or provided by Michigan businesses if they are competitively priced and of comparable quality.	No change.	Concurs with Executive	Concurs with Executive/Senate.	

DEPARTMENT OF TRANSPORTATION – Boilerplate

FY 2006-07 CURRENT LAW	FY 2007-08			
	EXECUTIVE	SENATE	HOUSE	CONFERENCE
Sec. 210. The director of each department receiving appropriations in part 1 may take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. The director shall encourage firms with which the department contracts to subcontract with certified businesses in deprived and depressed communities for services, supplies, or both.	Revises first sentence to read, "The director of each department receiving appropriations in part 1 may shall take all reasonable . . .".	Retains current law.	Retains current law.	
Sec. 211. The departments and state agencies receiving appropriations under this article shall receive and retain copies of all reports funded from appropriations in part 1. These departments and state agencies shall follow federal and state guidelines for short-term and long-term retention of these reports and records.	Strikes.	Replaces "article" with " bill ".	Replaces "article" with " bill ".	
Sec. 258. Amounts appropriated in part 1 for information technology may be designated as work projects and carried forward to support technology projects under the direction of the department of information technology. Funds designated in this manner are not available for expenditure until approved as work projects under section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a.	No change.	Concurs with Executive	Concurs with Executive/Senate.	
Sec. 259. From the funds appropriated in part 1 for information technology, the department shall pay user fees to the department of information technology for technology-related services and projects. The user fees shall be subject to provisions of an interagency agreement between the department and the department of information technology.	Replaces "The user fees" with " Such user fees".	Retains current law.	Retains current law.	
Sec. 260. (1) Due to the current budgetary problems in this state, out-of-state travel for the fiscal year ending September 30, 2007 shall be limited to situations in which 1 or more of the following conditions apply: (a) The travel is required by legal mandate or court order or for law enforcement purposes. (b) The travel is necessary to protect the health or safety of Michigan citizens or visitors or to assist other states in similar circumstances. (c) The travel is necessary to produce budgetary savings or to increase state revenues, including protecting existing federal funds or securing additional federal funds. (d) The travel is necessary to comply with federal requirements. (e) The travel is necessary to secure specialized training for staff that is not available within this state, or through the Internet, computer classes, or correspondence. (f) The travel is financed entirely by federal or nonstate funds.	Removes "for the fiscal year ending September 30, 2007"; removes "or through the Internet, computer classes, or correspondence." In subsection (e).	Retains current law.	Concurs with Executive.	

DEPARTMENT OF TRANSPORTATION – Boilerplate

FY 2006-07 CURRENT LAW	FY 2007-08			
	EXECUTIVE	SENATE	HOUSE	CONFERENCE
(2) If out-of-state travel is necessary but does not meet 1 or more of the conditions in subsection (1), the state budget director may grant an exception to allow the travel. Any exceptions granted by the state budget director shall be reported on a monthly basis to the house and senate appropriations committees.	Replaces "house and senate appropriations committees" with " senate and house of representatives standing committees on appropriations ".	Retains current law.	Retains current law.	
(3) Not later than January 1 of each year, each department shall prepare a travel report listing all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the chairs and members of the house and senate appropriations committees, the fiscal agencies, and the state budget director. The report shall include the following information: (a) The name of each person receiving reimbursement for travel outside this state or whose travel costs were paid by this state. (b) The destination of each travel occurrence. (c) The dates of each travel occurrence. (d) A brief statement of the reason for each travel occurrence. (e) The transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues. (f) A total of all out-of-state travel funded for the immediately preceding fiscal year.	Replaces "house and senate appropriations committees" with " standing committees on appropriations ".	Retains current law.	Retains current law.	
Sec. 261. A department or state agency shall not take disciplinary action against an employee for communicating with a member of the legislature or their staff.	Strikes.	Retains current law.	Retains current law.	
		New section: Sec. 262. Funds appropriated in part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general.	Not included.	

DEPARTMENT OF TRANSPORTATION – Boilerplate

FY 2006-07
CURRENT LAW

FY 2007-08

EXECUTIVE

SENATE

HOUSE

CONFERENCE

New section:
Sec. 263. (1) The department shall report no later than April 1, 2008 on each specific policy change made to implement enacted legislation to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on the department budget, the chairperson of the joint committee on administrative rules, and the senate and house fiscal agencies and policy offices.

Not included.

(2) Funds appropriated in part 1 shall not be used to prepare regulatory plans or promulgate rules that fail to reduce the disproportionate economic impact on small businesses pursuant to section 40 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.240.

Not included.

DEPARTMENTAL SECTIONS

Sec. 301. (1) The department may establish a fee schedule and collect fees sufficient to cover the costs to issue the permits that the department is authorized by law to issue upon request, and for fees associated with freedom of information requests. Unless otherwise authorized by statute, all fee revenue shall be credited to the state trunkline fund to recover the direct and indirect costs of receiving, reviewing, and processing the requests.

Revises language to read, "The department may establish a fee schedule and collect fees sufficient to cover the costs to issue the permits that the department is authorized by law to issue, upon request, ~~and for fees associated with freedom of information requests.~~ Unless otherwise **stipulated by law. All permit fees are nonrefundable application fees and** authorized by statute, all fee revenue shall be credited to the state trunkline fund to recover the direct and indirect costs of receiving, reviewing, and processing the requests."

Retains current law.

Retains current law.

DEPARTMENT OF TRANSPORTATION – Boilerplate

FY 2006-07 CURRENT LAW	FY 2007-08			
	EXECUTIVE	SENATE	HOUSE	CONFERENCE
(2) A bridge authority shall hold 3 public hearings on an increase in any toll charged by the authority at least 30 days before the toll change will become effective. Two of the hearings shall be held within 5 miles of the bridge over which the bridge authority has jurisdiction. One hearing shall be held in Lansing. Public hearings held under this section shall be conducted in accordance with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275, and shall be conducted so as to provide a reasonable opportunity for public comment, including both spoken and written comments.	No change.	Concurs with Executive	Concurs with Executive/Senate.	
Sec. 303. On request, the department shall provide to a legislator, in writing, a report on the amount of money to be received by each city and village and the county road commission of each county, that is included in whole or in part within the legislator's legislative district.	Strikes.	Retains current law.	Retains current law.	
Sec. 304. If, as a requirement of bidding on a highway project, the department requires a contractor to submit financial or proprietary documentation as to how the bid was calculated, that bid documentation shall be kept confidential and shall not be disclosed other than to a department representative without the contractor's written consent. The department may disclose the bid documentation if necessary to address or defend a claim by a contractor.	No change.	Concurs with Executive	Concurs with Executive/Senate.	
Sec. 305. The department shall permit space on public passenger transportation properties to be occupied by public or private tenants on a competitive market rate basis. The department shall require that revenue from the tenants be placed in an account to be used to pay the costs to maintain the property.	Replaces "shall permit" with " may permit "; replaces "public passenger transportation" with " state-owned public passenger transportation"; replaces "maintain the property" with "maintain and improve the property"; adds last sentence, " Funds in excess of those needed to maintain the property shall be deposited into the appropriate fund. "	Retains current law.	Retains current law.	

DEPARTMENT OF TRANSPORTATION – Boilerplate

**FY 2006-07
CURRENT LAW**

FY 2007-08

EXECUTIVE

SENATE

HOUSE

CONFERENCE

Sec. 306. Biennially, in each even-numbered fiscal year, the auditor general shall conduct an audit of charges to transportation funds by state departments for the 2 preceding fiscal years. The auditor general shall prepare a detailed report, with recommendations and conclusions, including a list of services charged to transportation funds, the appropriateness of those charges, the cost allocation methodologies used in determining the level of funding, and any unreimbursed costs. The report shall be provided to the senate and house of representatives committees on appropriations, the senate and house fiscal agencies, and the state budget director 9 months after publication of the state of Michigan comprehensive annual financial report.

No change.

Retains current law.

Combined with Section 504:
(1) The amounts appropriated in **Section 103 to support tax and fee collection, law enforcement, and other program services provided to the department and to transportation funds** by other state departments ~~and transferred to various state agencies from part 1~~ shall be expended from the transportation funds pursuant to annual contracts between the department and **those other state departments.** ~~agencies providing tax and fee collection and other services applicable to transportation funds.~~ The contracts shall be executed prior to the **expenditure or obligation of** ~~transfer of those~~ these funds. The contracts shall provide, but are not limited to, the following data applicable to each state **department agency:**
(a) Estimated costs to be recovered from transportation funds.
(b) Description of services **provided to the department and/or transportation funds and** financed with transportation funds.
(c) Detailed cost allocation methods ~~that are~~ appropriate to the type of services being provided and the activities financed with transportation funds.

[Language modified from current year Sec. 504 (2).]

DEPARTMENT OF TRANSPORTATION – Boilerplate

FY 2006-07
CURRENT LAW

FY 2007-08

EXECUTIVE

SENATE

HOUSE

CONFERENCE

(2) ~~Not later than~~ two months after publication of the state of Michigan comprehensive annual financial report, each state ~~department agency~~ receiving ~~funding pursuant to an interdepartment and statutory contract with from~~ the department shall submit a written report to the department, the state budget director, and the house and senate fiscal agencies stating by spending authorization account the amount of estimated funds contracted with the department, the amount of funds expended, the amount of funds returned to the transportation funds, and any unreimbursed transportation-related costs incurred but not billed to transportation funds. A copy of the report shall be submitted to the auditor general and the report shall be subject to audit by the auditor general as provided in subsection (4).

[Language modified from current year Sec. 504 (3).]

DEPARTMENT OF TRANSPORTATION – Boilerplate

FY 2006-07
CURRENT LAW

FY 2007-08

EXECUTIVE

SENATE

HOUSE

CONFERENCE

(3) In addition to the requirements of subsection (2), the state treasurer shall develop a cost allocation plan to identify the actual costs of work based on time and effort performed by the Michigan department of treasury for state-restricted transportation funds. The cost allocation plan shall specifically identify the costs of collecting constitutionally restricted motor fuel taxes. The cost allocation plan shall be submitted to the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, the auditor general, and the state budget director by November 1. The cost allocation plan shall be subject to audit by the auditor general.

[Language modified from current year Sec. 504 (4) which was vetoed by the Governor.]

DEPARTMENT OF TRANSPORTATION – Boilerplate

FY 2006-07
CURRENT LAW

FY 2007-08

EXECUTIVE

SENATE

HOUSE

CONFERENCE

(4) Biennially, in each even-numbered fiscal year, the auditor general shall conduct an audit of charges to transportation funds by state departments for the 2 preceding fiscal years. **The audit shall include both charges governed by interdepartmental contracts as well as miscellaneous charges from other state departments not governed by contracts.** The auditor general shall prepare a detailed report, with recommendations and conclusions, including a **summary of charges and related services to transportation funds by department and related list of services charged to transportation funds**, the appropriateness of those charges, the cost allocation methodologies used in determining the level of funding, and any unreimbursed **transportation-related costs, if any**. The report shall be provided to the senate and house of representatives committees on appropriations, the senate and house fiscal agencies, and the state budget director 9 months after publication of the state of Michigan comprehensive annual financial report.

[Language modified from current year section 306.]

Sec. 307. Before February 1 of each year, the department will provide to the legislature, the state budget office, and the house and senate fiscal agencies its rolling 5-year plan listing by county or by county road commission all highway construction projects for the fiscal year and all expected projects for the ensuing fiscal years.

Replaces "state budget office" with "state budget **director**".

Retains current law.

Modifies report due date to March 1 of each year.

DEPARTMENT OF TRANSPORTATION – Boilerplate

FY 2006-07 CURRENT LAW	FY 2007-08			
	EXECUTIVE	SENATE	HOUSE	CONFERENCE
Sec. 308. The department and local road agencies that receive appropriations under this article shall pursue compliance with contract specifications for construction and maintenance of state highways and local roads and streets. Work shall not be accepted and paid for until it complies with contract requirements. Contractors with unsatisfactory performance ratings shall be restricted from future bidding through the prequalification process established by the department or a local road agency. The department, county road commissions, and cities and villages shall report to the house of representatives and senate appropriations subcommittees on transportation, the senate and house fiscal agencies, and the state budget director on their respective activities under this section.	Replaces "article" with "bill".	Replaces "article" with "act".	Replaces "article" with "act".	
Sec. 309. The department shall reduce administrative costs and provide the maximum funding possible for construction projects.	Strikes.	Retains current law.	Retains current law.	
Sec. 310. The department shall provide in a timely manner copies of the agenda and approved minutes of monthly transportation commission meetings to the members of the house and senate appropriations subcommittees on transportation, the house and senate fiscal agencies, and the state budget director.	No change.	Concurs with Executive	Concurs with Executive/Senate.	
Sec. 312. At the close of the fiscal year, any unencumbered and unexpended balance in the state trunkline fund shall remain in the state trunkline fund and shall carry forward and is appropriated for federal aid road and bridge programs for projects contained in the annual state transportation program.	No change.	Concurs with Executive	Concurs with Executive/Senate.	
Sec. 313. (1) From funds appropriated in part 1, the department may increase a state infrastructure bank program and grant or loan funds in accordance with regulations of the state infrastructure bank program of the United States department of transportation. The state infrastructure bank is to be administered by the department for the purpose of providing a revolving, self-sustaining resource for financing transportation infrastructure projects.	No change.	Concurs with Executive	Concurs with Executive/Senate.	

DEPARTMENT OF TRANSPORTATION – Boilerplate

FY 2006-07 CURRENT LAW	FY 2007-08			
	EXECUTIVE	SENATE	HOUSE	CONFERENCE
(2) In addition to funds provided in subsection (1), money received by the state as federal grants, repayment of state infrastructure bank loans, or other reimbursement or revenue received by the state as a result of projects funded by the program and interest earned on that money shall be deposited in the revolving state infrastructure bank fund and shall be available for transportation infrastructure projects. At the close of the fiscal year, any unencumbered funds remaining in the state infrastructure bank fund shall remain in the fund and be carried forward into the succeeding fiscal year.	No change.	Concurs with Executive	Concurs with Executive/Senate.	
Sec. 314. The department shall provide a report prepared by the department's internal auditor on the activities of the internal auditor for the previous fiscal year. The report shall be due on February 1, 2007 and shall be submitted to the senate and house of representatives appropriations committees, the senate and house fiscal agencies, the director of the state budget office, and the auditor general. This report shall include a list of all of the following: (a) All work activities conducted by the internal auditor, including a listing of all audits, reviews, and investigations. (b) The time charged to each work activity, including time charged to each audit, review, or investigation. (c) A listing of which audits, reviews, and investigations have been completed and which audits, reviews, and investigations have had reports of the results issued.	Strikes.	Updates calendar year.	Changes date reference to ""February 1 of each year..."	
Sec. 319. The department shall post signs at each rest area to identify the agency or contractor responsible for maintenance of the rest area. The signs shall include a department telephone number and shall indicate that unsafe or unclean conditions at the rest area may be reported to that telephone number.	Strikes.	Retains current law.	Retains current law.	
Sec. 324. From the funds appropriated in part 1, \$500,000.00 from the state trunkline fund shall be used for enhanced construction zone traffic law enforcement and the "give 'em a brake" campaign. The funding shall be used to reimburse law enforcement agencies for costs associated with construction zone traffic enforcement. The funding shall be provided based on approved memoranda of understanding between the department and participating law enforcement agencies.	Replaces "\$500,000.00 from the state trunkline fund" with "up to \$500,000.00 from the state trunkline fund".	Retains current law.	Retains current law.	

DEPARTMENT OF TRANSPORTATION – Boilerplate

FY 2006-07 CURRENT LAW	FY 2007-08			
	EXECUTIVE	SENATE	HOUSE	CONFERENCE
Sec. 334. The department shall continue its program to increase the use of women- and minority-owned businesses in state and local road construction projects. This program shall comprise, at a minimum, outreach and education efforts to inform women- and minority-owned firms of department competitive bidding processes and requirements, and an assessment of the availability of surety for women- and minority-owned businesses. The department shall report by March 31, 2007, to the house and senate appropriations subcommittees on transportation and the house and senate fiscal agencies of its progress in complying with this section.	Removes reporting requirement.	Updates calendar year.	Changes report due date to "September 30 of each year..."	
Sec. 353. The department shall review its contractor payment process and ensure that all prime contractors are paid promptly. The department shall ensure that prime contractors are in compliance with special provision 109.10 regarding the prompt payment of subcontractors.	Strikes.	Retains current law.	Retains current law.	
Sec. 357. When presented with complete local federal aid project submittals, the department shall complete all necessary reviews and inspections required to let local federal aid projects within 120 days of receipt. The department shall implement a system for monitoring the local federal aid project review process.	Strikes.	Retains current law.	Retains current law.	
Sec. 361. The department will notify the senate and house appropriations subcommittees on transportation, the senate and house fiscal agencies, and the state budget director of any changes to the services or function of the multi-modal transportation services program as approved by the state transportation commission.	Strikes.	Retains current law.	Not included.	
Sec. 370. From the funds appropriated in part 1, the department shall maintain a complaint process to enforce the charter service prohibition contained in section 10e of 1951 PA 51, MCL 247.660e. The complaint process shall be independent from the charter service complaint process administered by the federal department of transportation, federal transit administration under 49 CFR part 604. The process shall allow complainants to file written complaints with the director, either through the United States mail or through the department's Internet site. The process shall allow complainants and respondents to provide evidence to the director regarding the alleged complaint. The director shall dispose of all complaints within 120 days after receipt.	Strikes.	Retains current law.	Retains current law.	
Sec. 374. The department shall produce and distribute all employee newsletters electronically.	Strikes.	Retains current law.	Retains current law.	

DEPARTMENT OF TRANSPORTATION – Boilerplate

**FY 2006-07
CURRENT LAW**

FY 2007-08

EXECUTIVE

SENATE

HOUSE

CONFERENCE

Sec. 375. The department is prohibited from reimbursing contractors or consultants for costs associated with groundbreaking ceremonies, receptions, open houses, or press conferences related to transportation projects funded, in whole or in part, by revenue appropriated in part 1.

No change.

Concurs with Executive

Concurs with Executive/Senate.

Sec. 376. No later than October 15, 2006, the department shall report to the senate and house of representatives appropriations subcommittees on transportation on the status of the 17 projects that were initially deferred in the department's 5-year plan in 2003 and subsequently restored.

Strikes.

Updates calendar year.

Modifies report date to March 1, of each year (same as five-year plan)

Sec. 379. The department shall not spend any comprehensive transportation fund revenue appropriated in part 1 on operational planning for an eligible authority or eligible governmental agency in accordance with section 10b(3) of 1951 PA 51, MCL 247.660b. .

Strikes.

Retains current law.

Not included.

Sec. 380. (1) The department only shall use those appropriations contained in sections 114 and 115 to support the operations of the multi-modal transportation services bureau. Except as provided in subsection (2), the department is prohibited from charging any costs associated with the multi-modal transportation services bureau to any appropriation in part 1, other than the appropriations contained in sections 114 and 115, regardless of their funding source without an approved legislative transfer or an enacted supplemental appropriations bill.

Strikes.

Retains current law.

Not included.

(2) Funds not appropriated in sections 114 and 115 may be used to fund costs associated with multi-modal transportation services, aeronautics, or freight safety services activities related to federally eligible costs for project management, inspection, and administration of federally funded projects and for construction of safety inspections of rail projects.

Strikes.

Retains current law.

Not included.

Sec. 381. No funds appropriated in part 1 shall be used to pay for the costs associated with the production or airing of a television program by the department, unless the program addresses traffic or safety advisories.

Strikes.

Retains current law.

Not included.

DEPARTMENT OF TRANSPORTATION – Boilerplate

	FY 2006-07 CURRENT LAW	FY 2007-08			
		EXECUTIVE	SENATE	HOUSE	CONFERENCE
Sec. 383. (1) The department, with assistance from the departments of state police, natural resources, and military and veterans affairs, shall prepare a quarterly report on all travel by executive branch employees on state-owned, noncombat aircraft. The report shall include, by department, the name of the traveler, the travel origination location, the travel destination location, type of aircraft, and the total estimated costs associated with the air travel.		Strikes.	Retains current law.	Sec. 383. (1) The department, with assistance from the departments of state police, natural resources, and military and veterans affairs, shall prepare a quarterly report on all travel by executive branch employees on department-owned state-owned, noncombat aircraft. The report shall include, by department, the name of the traveler, the travel origination location, the travel destination location, type of aircraft, and the total estimated costs associated with the air travel.	
(2) From the funds appropriated in part 1, the department is prohibited from transporting employees of institutions of higher education on state-owned aircraft.		Strikes.	Retains current law.	Not included.	
(3) From the funds appropriated in part 1, the department is prohibited from transporting legislators or legislative staff on state-owned aircraft without prior approval from the senate majority leader and/or the speaker of the house of representatives.		Strikes.	Retains current law.	Not included.	
(4) From the funds appropriated in part 1, the department is prohibited from transporting local government employees on state-owned aircraft.		Strikes.	Retains current law.	Not included.	
(5) It is the intent of the legislature that state elected officials use commercial or other private air service, unless air travel on state-owned aircraft is part of official state business.		Strikes.	Retains current law.	Not included.	
(6) This section does not apply to transportation that is related to law enforcement or homeland security activities.		Strikes.	Retains current law.	Not included.	
Sec. 384. The department shall not, directly or indirectly, expend any funds appropriated in part 1 for design or right-of-way acquisition associated with a new crossing of the Detroit River between Detroit, Michigan and Windsor, Ontario.		Strikes.	Retains current law.	Not included.	
Sec. 391. It is the intent of the legislature that there be established within the department 2 separate deputy director positions with responsibility for public transportation programs. One position shall function as chief administrative officer for all public transportation programs, other than aeronautics programs. The second position shall function as the director of aeronautics as established in section 27 of the state aeronautics code, 1945 PA 327, MCL 259.27.		Strikes.	Concurs with Executive.	Concurs with Executive/Senate. (Not included.)	

DEPARTMENT OF TRANSPORTATION – Boilerplate

	FY 2006-07 CURRENT LAW	FY 2007-08			
		EXECUTIVE	SENATE	HOUSE	CONFERENCE
<u>FEDERAL</u>					
Sec. 401. When the department receives authorization from the federal government to commit transportation funds pursuant to federal appropriations, it shall present to the senate and house of representatives appropriations transportation subcommittees and the senate and house fiscal agencies, the federal amounts and categories authorized and the department's recommendation for distribution of these funds. If a recommendation or recommendations are not approved within 30 business days by both the senate and house of representatives appropriations transportation subcommittees, then the recommendation or recommendations shall be considered as disapproved. If either the senate or house of representatives appropriations transportation subcommittees disapproves the proposed distribution, then the senate and house of representatives appropriations transportation subcommittees and the department shall hold a joint meeting to develop a final distribution.	Revises language to read, " When the department receives Within 30 days of receiving the applicable fiscal year authorization from the federal government to commit transportation funds, the department shall notify local agency representatives, pursuant to federal appropriations, it shall present to the senate and house of representatives appropriations transportation subcommittees, and the senate and house fiscal agencies, and the state budget director regarding the amount of federal aid for categorical allocations to state and local agency programs not specifically allocated in either federal or state law. The federal amounts and categories authorized and the department's recommendation for distribution of these funds. If a develop a final distribution.	Retains current law.	Concurs with Executive.		
Sec. 402. A portion of the federal DOT-FHWA highway research, planning, and construction funds made available to the state shall be allocated to transportation programs administered by local jurisdictions in accordance with section 10o of 1951 PA 51, MCL 247.660o. A local road agency, with respect to a project approved for federal aid funding in a state transportation improvement program, may enter into a voluntary buyout agreement with the department or with another local road agency to exchange the federal aid with state restricted transportation funds as agreed to by the respective parties. The state-restricted transportation funds received in exchange for federal aid funds shall be used for the same purpose as the federal aid funds were originally intended.	No change.	Concurs with Executive.	Concurs with Executive/Senate.		
<u>MICHIGAN TRANSPORTATION FUND</u>					
Sec. 501. The money received under the motor carrier act, 1933 PA 254, MCL 475.1 to 479.43, and not appropriated to the department of labor and economic growth or the department of state police is deposited in the Michigan transportation fund.	No change.	Concurs with Executive.	Concurs with Executive/Senate.		

DEPARTMENT OF TRANSPORTATION – Boilerplate

	FY 2006-07 CURRENT LAW	FY 2007-08			
		EXECUTIVE	SENATE	HOUSE	CONFERENCE
Sec. 502. The department of treasury shall perform audits and make investigations of the disposition of all state funds received by county road commissions or county boards of commissioners, as applicable, and cities and villages for transportation purposes to determine compliance with the terms and conditions of 1951 PA 51, MCL 247.651 to 247.675. County road commissions or county boards of commissioners, as applicable, and cities and villages shall make available to the department of treasury the pertinent records for the audit.		No change.	Concurs with Executive.	Concurs with Executive/Senate.	
Sec. 503. (1) The funds appropriated in part 1 for the economic development and local bridge programs shall not lapse at the end of the fiscal year but shall carry forward each fiscal year for the purposes for which appropriated in accordance with 1987 PA 231, MCL 247.901 to 247.913, and section 10(5) of 1951 PA 51, MCL 247.660.		No change.	Concurs with Executive.	Concurs with Executive/Senate.	
(2) Interest earned in the department of transportation economic development fund and local bridge fund shall remain in the respective funds and shall be allocated to the respective programs based on actual interest earned at the end of each fiscal year.		Removes "based on actual interest earned at the end of each fiscal year."	Retains current law.	Retains current law.	
(3) The department of transportation economic development fund and local bridge fund may receive and expend federal, local, or private funds or restricted source funds such as interest earnings for projects that are consistent with the programmatic mission of the respective funds in addition to funds appropriated in part 1.		No change.	Concurs with Executive.	Concurs with Executive/Senate.	
(4) None of the funds statutorily dedicated to the transportation economic development fund and local bridge fund shall be diverted to other projects.		No change.	Concurs with Executive.	Concurs with Executive/Senate.	
Sec. 504. (1) Funds from the Michigan transportation fund (MTF) shall be distributed to the comprehensive transportation fund (CTF), the economic development fund (EDF), the recreation improvement fund (RIF), and the state trunkline fund (STF), in accordance with this article and part 711 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108, and may only be used as specified in this article, 1951 PA 51, MCL 247.651 to 247.675, and part 711 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108.		Replaces "article" with " bill ".	Replaces "article" with " act ".	Replaces "article" with " act ".	

DEPARTMENT OF TRANSPORTATION – Boilerplate

	FY 2007-08			
	FY 2006-07 CURRENT LAW	EXECUTIVE	SENATE	HOUSE
				CONFERENCE
(2) The amounts appropriated and transferred to various state agencies from part 1 shall be expended from the transportation funds pursuant to annual contracts between the department and state agencies providing tax and fee collection and other services applicable to transportation funds. The contracts shall be executed prior to the transfer of these funds. The contracts shall provide, but are not limited to, the following data applicable to each state agency: (a) Estimated costs to be recovered from transportation funds. (b) Description of services financed with transportation funds. (c) Detailed cost allocation methods that are appropriate to the type of services being provided and the activities financed with transportation funds.	Revises language to read, "The amounts appropriated and transferred to various state agencies from interdepartment and statutory grants in part 1 shall . . ."	Retains current law.	Subsection, as modified, combined with Section 306 above..	
(3) Two months after publication of the state of Michigan comprehensive annual financial report, each state agency receiving an interdepartment and statutory contract from the department shall submit a written report to the department, the state budget director, and the house and senate fiscal agencies stating by spending authorization account the amount of estimated funds contracted with the department, the amount of funds expended, the amount of funds returned to the transportation funds, and any unreimbursed transportation-related costs incurred but not billed to transportation funds. A copy of the report shall be submitted to the auditor general and the report shall be subject to audit by the auditor general.	No change.	Concurs with Executive.	Subsection, as modified, combined with Section 306 above..	
(4) In addition to the requirements of subsection (3), the state treasurer shall develop a cost allocation plan to identify the actual costs of work based on time and effort performed by the Michigan department of treasury for state restricted transportation funds. The cost allocation plan shall specifically identify the costs of collecting constitutionally restricted motor fuel taxes. The cost allocation plan shall be submitted to the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, the auditor general, and the state budget director by November 1. The cost allocation plan shall be subject to audit by the auditor general. VETOED	Strikes.	Retains current law.	Subsection incorporated in Section 306 above..	

DEPARTMENT OF TRANSPORTATION – Boilerplate

FY 2006-07 CURRENT LAW	FY 2007-08			
	EXECUTIVE	SENATE	HOUSE	CONFERENCE
STATE TRUNKLINE FUND Sec. 601. The department shall work with the road construction industry and engineering consulting community to develop performance and road construction warranties for construction contracts. The development of warranties shall include warranties on materials, workmanship, performance criteria, and design/build projects. The department will report by September 30 of each calendar year to the house of representatives and senate appropriations subcommittees on transportation, the state budget director, and the house and senate fiscal agencies on the status of efforts to develop performance and road construction warranties.	Removes reporting requirement.	Retains current law.	Retains current law.	
Sec. 602. If the department uses manufactured pipe for road construction drainage, the department shall require that pipe used under certain load-bearing conditions beneath the roadway meets the standards established by the American society for testing and materials (ASTM) or American association of state highway and transportation officials (AASHTO). The department may also use the mandrel test for manufactured pipe 60 days after installation and provide a summary of the results of these inspections to the house of representatives and senate appropriations subcommittees on transportation and house and senate fiscal agencies.	Adds state budget director as summary recipient.	Retains current law.	Retains current law.	
Sec. 603. The department shall use traffic congestion as 1 of the criteria in determining the priorities for designating which roads shall be remediated in its 5-year road plan, which must be submitted on or before February 1, 2007. Criteria for evaluating traffic congestion shall include, but not be limited to, coordination with local, county, and regional planning, improvement in traffic operations, improvement in physical roadway conditions, accident reduction, and coordination with area public transportation planning.	Updates calendar year.	Concurs with Executive.	Revises date reference to "March 1 of each year..."	
Sec. 607. Funding shall be made available for the remediation of unsafe pedestrian crossings on state highways. Funds from this appropriation may be expended only as matching funds for up to 50% of project cost with additional project funding to be provided by local units of government or through private contributions. Selected projects shall require the approval of the transportation commission. Maintenance of pedestrian overpasses constructed from funds made available through this appropriation shall be the responsibility of a local unit of government or public or private institutions of higher education.	Strikes.	Retains current law.	Not included.	

DEPARTMENT OF TRANSPORTATION – Boilerplate

**FY 2006-07
CURRENT LAW**

FY 2007-08

EXECUTIVE

SENATE

HOUSE

CONFERENCE

Sec. 608. From the amounts appropriated in part 1 for forest roads from the transportation economic development fund, \$40,000.00 shall be used for the purpose of establishing 2 additional truck inspection stations. The department shall work directly with representatives of the timber industry to educate truck drivers on the use of the stations. The department shall report on the status of this program.

Strikes.

Retains current law.

Not included.

Sec. 610. It is the intent of the legislature that the department have as a priority the removal of dead deer and other large animal remains from the traveled portion and shoulder of state highways. The department, and counties that perform state highway maintenance under contract, shall remove animal remains, wherever practicable, away from the traveled portion and shoulder of state highways.

Strikes.

Retains current law.

Retains current law.

Sec. 611. From the appropriations in part 1, the department shall use high-quality pavement marking materials for all state trunkline projects with a design life of 10 years or greater. The department shall coordinate with material suppliers, equipment manufacturers, and application contractors to ensure cost-effective improvements in durability and retro-reflectivity. The department shall identify pilot projects for demonstration of wet reflective characteristics. The department shall submit a report to both the house and senate appropriations committees and the house and senate fiscal agencies by January 31, 2007, that provides a report on the wet reflective pilot projects and the use of high-quality pavement marking materials in coordination with material suppliers, equipment manufacturers, and application contractors.

Strikes language after second sentence to removes requirement for department to identify pilot projects for demonstration of wet reflective characteristics, as well as reporting requirement.

Concurs with Executive.

Concurs with Executive/Senate.

Sec. 612. The department shall establish guidelines governing incentives and disincentives provided under contracts for state trunkline projects. The guidelines shall include specific financial information concerning incentives and disincentives. On or before January 1, 2007, the department shall prepare a report for the immediately preceding fiscal year regarding contract incentives and disincentives. This report shall include a list, by project, of the contractors that received contract incentives and/or disincentives, the amount of the incentives and/or disincentives, and the number of days that each project was completed either ahead or past the contracted completion date. This report shall be provided to the senate and house appropriations subcommittees on transportation, the senate and house standing committees on transportation, and the senate and house fiscal agencies.

Strikes.

Retains current law.

Changes date reference to "January 1 of each year..."

DEPARTMENT OF TRANSPORTATION – Boilerplate

	FY 2006-07 CURRENT LAW	FY 2007-08			
		EXECUTIVE	SENATE	HOUSE	CONFERENCE
Sec. 613. From the funds appropriated in part 1, not less than \$50,000.00 shall be expended for the implementation of a comprehensive signage program on I 94, US 127, US-223, M 50, US 23, and I 69 to assist traffic coming from all directions to locate the Michigan international speedway. <i>Vetoed</i>		Not included	Retains current law.	Not included.	
Sec. 615. From the funds appropriated in part 1, the department shall proceed with the construction of a full interchange at the intersection of M 48 and I 75 in Chippewa County. The department shall develop design plans and award the construction contract for this project during the fiscal year ending September 30, 2007. <i>Vetoed</i>		Not included	Updates calendar year.	Not included.	
Sec. 616. From the funds appropriated in part 1, the department shall reimburse the city of Petoskey for installation of a traffic light on US 31 at the intersection with Bay Harbor in Emmet County. <i>Vetoed</i>		Not included	Retains current law.	Not included.	
Sec. 639. The department shall develop a plan and schedule to place signs on state highways that direct motorists to drive on the right half of the roadway in accordance with section 634 of the Michigan vehicle code, 1949 PA 300, MCL 257.634. The plan and schedule shall be submitted to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget director by November 1, 2006.		Strikes.	Updates calendar year.	Not included.	
Sec. 640. The department shall develop a plan and schedule to place signs on state highways that direct motorists to yield the right-of-way to approaching emergency vehicles in accordance with section 653 of the Michigan vehicle code, 1949 PA 300, MCL 257.653. The plan and schedule shall be submitted to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget director by November 1, 2006.		Strikes.	Updates calendar year.	Not included.	
Sec. 654. It is the intent of the legislature that the Mackinac Bridge Authority work to protect the long-term viability of the Mackinac Bridge.		Strikes.	Retains current law.	Retains current law.	

DEPARTMENT OF TRANSPORTATION – Boilerplate

**FY 2006-07
CURRENT LAW**

FY 2007-08

EXECUTIVE

SENATE

HOUSE

CONFERENCE

Sec. 655. It is the intent of the legislature that the department expend not less than \$32,000.00 for a safe routes to schools project in Eaton Rapids, Michigan, involving extension of and improvements to sidewalks along North State Street from Gould to beyond Greyhound Drive, as well as connecting streets in neighborhoods near Eaton Rapids High School, Eaton Rapids Middle School, Greyhound Intermediate School, and Lockwood Elementary School.

Strikes.

Retains current law.

Not included.

Sec. 656. It is the intent of the legislature that the department upgrade that section of M-49 from M-99 to US-12 to standards necessary for designation as a designated highway as provided under sections 717 and 718 of the Michigan vehicle code, 1949 PA 300, MCL 257.717 and 257.718, and for inclusion as a “green” special designated highway on the department’s truck operator’s map.

Strikes.

Retains current law.

Not included.

Sec. 657. It is the intent of the legislature that the department proceed with a congestion mitigation corridor study of US-23 from M-14 to I-96 in Washtenaw and Livingston counties, including environmental assessment of transportation improvements to US-23.

Strikes.

Retains current law.

Retains current law.

New section:
Sec. 658. It is the intent of the legislature that the department proceed with the reconstruction of the interchange at I-196 and Phoenix Road in South Haven.

Not included.

New section:
Sec. 659. For pavement designs for which there are no Michigan actual historical data as required in MCL 247.651h, the department may use actual historical data and comparable data for equivalent designs from states with similar climates, soil structures, and/or vehicle traffic. The purpose of this provision is to provide the department with the necessary flexibility to design pavements which have not been used in Michigan but have been used successfully in other states. This provision shall expire when the department has actual Michigan historical data on these pavements.

Concurs with Senate.

DEPARTMENT OF TRANSPORTATION – Boilerplate

FY 2006-07 CURRENT LAW	FY 2007-08			
	EXECUTIVE	SENATE	HOUSE	CONFERENCE
		New section: Sec. 660. The department shall conduct a demonstration inventory project in cooperation with the Grand Valley metropolitan council utilizing a mobile pavement management data collection system. The department will report by September 30, 2007, to the house of representatives and senate appropriations subcommittees on transportation, the house and senate fiscal agencies, and the state budget director on the results of the demonstration project.	Not included.	
COMPREHENSIVE TRANSPORTATION FUND Sec. 701. Money that is received by the state as a lease payment for state-owned intercity bus equipment is not money to be deposited in the comprehensive transportation fund under section 10b of 1951 PA 51, MCL 247.660b, but is money that is deposited in an intercity bus equipment fund for appropriation for the purchase and repair of intercity bus equipment. Proceeds received by the state from the sale of intercity bus equipment are deposited in an intercity bus equipment fund for appropriation for the purchase and repair of intercity bus equipment. Security deposits from the lease of state-owned intercity bus equipment not returned to the lessee of the equipment under terms of the lease agreement are deposited in an intercity bus equipment fund for appropriation for the repair of intercity bus equipment. At the close of the fiscal year, any funds remaining in the intercity bus equipment fund shall remain in the fund and be carried forward into the succeeding fiscal year.	No change.	Concurs with Executive.	Concurs with Executive/Senate.	
Sec. 702. Money that is received by the state as repayment for loans made for rail or water freight capital projects, and as a result of the sale of property or equipment used or projected to be used for rail or water freight projects shall be deposited in the fund created by section 17 of the state transportation preservation act of 1976, 1976 PA 295, MCL 474.67. At the close of the fiscal year, any funds remaining in the rail preservation fund shall remain in the fund and be carried forward into the succeeding fiscal year.	Replaces "rail preservation fund" with "rail freight fund".	Retains current law.	Concurs with Executive.	

DEPARTMENT OF TRANSPORTATION – Boilerplate

FY 2006-07 CURRENT LAW	FY 2007-08			
	EXECUTIVE	SENATE	HOUSE	CONFERENCE
Sec. 703. After receiving notification from a railroad company pursuant to section 8 of the state transportation preservation act of 1976, 1976 PA 295, MCL 474.58, the department shall immediately notify the house of representatives and senate appropriations subcommittees on transportation and the state budget office that the railroad company has filed with the appropriate governmental agencies for abandonment of a line.	Strikes.	Retains current law.	Retains current law.	
Sec. 705. Funds appropriated in part 1 for the rail infrastructure loan program shall be credited to the rail infrastructure loan fund established in section 15a of the state transportation preservation act of 1976, 1976 PA 295, MCL 474.65a.	Strikes.	Retains current law.	Retains current law.	
Sec. 706. The Detroit/Wayne County port authority shall issue a complete operations assessment and a financial disclosure statement. The operations assessment shall include operational goals for the next 5 years and recommendations to improve land acquisition and development efficiency. The report shall be completed and submitted to the house of representatives and senate appropriations subcommittees on transportation, the state budget director, and the house and senate fiscal agencies by February 15 of each fiscal year for the prior fiscal year.	No change.	Concurs with Executive.	Concurs with Executive/Senate.	
Sec. 707. (1) For the fiscal year ending September 30, 2007, each eligible authority and each eligible governmental agency which provides public transportation services in urbanized areas with a Michigan population of less than or equal to 100,000 and nonurbanized areas under section 5311 of title 49 of the United States Code, 49 USC 5311, shall receive a grant of up to 60% of its eligible operating expenses. Each eligible authority and each eligible government agency which provides public transportation services in urbanized areas with a Michigan population of greater than 100,000 under section 5307 of title 49 of the United States Code, 49 USC 5307, shall receive a grant of up to 50% of its eligible operating expenses.	Updates calendar year.	Retains current law.	Strikes first phrase: Sec. 707. (1) For the fiscal year ending September 30, 2007, each Each eligible authority and each eligible governmental agency...	

DEPARTMENT OF TRANSPORTATION – Boilerplate

**FY 2006-07
CURRENT LAW**
FY 2007-08
EXECUTIVE
SENATE
HOUSE
CONFERENCE

(2) If the department determines that the Detroit transportation corporation is an eligible governmental agency as defined in section 10c(c) of 1951 PA 51, MCL 247.660c, and is eligible for operating grants under section 10e of 1951 PA 51, MCL 247.660e, the Detroit transportation corporation shall receive an operating grant not to exceed the amount of the distribution it received for eligible operating expenses for the fiscal year ending September 30, 1997 as provided in section 10e(4)(a)(v) of 1951 PA 51, MCL 247.660e. The funding plan for capital construction costs of the Detroit people mover project as described and provided under 1984 PA 243, 1985 PA 111, 1986 PA 207, 1987 PA 136, 1988 PA 271, 1989 PA 54, and 1990 PA 202 represents the only funding plan for cost overruns and there is no provision or expectation of other state money of any nature or character whatsoever for the construction or operation of the project.

Strikes.

Retains current law.

Not included.

Sec. 708. If funds appropriated in part 1 are used to provide state-owned or state-leased buses to private intercity bus carriers, the department shall charge not less than \$1,000.00 per bus per year for their use.

No change.

Concurs with Executive.

Concurs with Executive/Senate.

Sec. 709. (1) The following bus routes are designated as an essential corridor in Michigan:

Between St. Ignace and Escanaba	US-2
Between Escanaba and Duluth	US-2 through Ironwood to the state line
Between Calumet and Escanaba	US-41
Between Escanaba and Milwaukee	US-41 through Menominee to the state line
Between St. Ignace and Sault Ste. Marie	I-75
Between Detroit and Chicago	I-94 from Detroit to the state line
Between Detroit and Muskegon	I-96
Between Grand Rapids, Holland, and Benton Harbor	I-196 to I-94
Between Muskegon and Grand Rapids	US-31, I-96
Between Detroit and Bay City	I-75
Between Bay City and Mt. Pleasant	US-10, M-20
Between Jackson and	US-127, US-27, I-75,

Strikes.

Retains current law.

Retains current law.

DEPARTMENT OF TRANSPORTATION – Boilerplate

	FY 2006-07 CURRENT LAW	FY 2007-08			
		EXECUTIVE	SENATE	HOUSE	CONFERENCE
Traverse City Between Jackson and Indianapolis Between Houghton Lake and Cadillac Between Detroit and Toledo Between the Indiana state line and Traverse City Between Detroit and Port Huron Between Toledo and Bay City Between Bay City and Chicago Between Flint and Lansing Between Bay City and St. Ignace Between Grand Rapids and St. Ignace Between Kalamazoo and Grand Rapids	Grayling, Gaylord, M-72 to Traverse City I-69, I-94 to the state line through Albion, Marshall, and Coldwater M-55 and M-66 I-75 to the state line US-31 and I-196 I-375 and I-94 US-23, I-75, and I-675, I-75 I-75, Flint, I-69, I-94, Battle Creek, I-94 to the state line I-69, M-21, Owosso, M-52, I-69 I-75, US-23 US-131, Cadillac, M-115, Mesick, M-37 to Traverse City, US-31, Acme, M-72, Kalkaska, US-131, Boyne Falls, M-75, Walloon Lake, US-131, Petoskey, US-31, I-75, St. Ignace US-131				
(2) Any changes to the essential corridor list in subsection (1) shall be approved by the house and senate appropriations subcommittees on transportation.	Strikes.	Retains current law.	Retains current law.		
(3) No entity shall receive operating assistance for a scheduled regular route service which is competing with another private or public carrier over the same route.	Strikes.	Retains current law.	Not included.		
Sec. 711. (1) From the funds appropriated in part 1 from the comprehensive transportation fund for rail passenger service, the department shall negotiate with a rail carrier to provide rail service between Grand Rapids and Chicago and between Port Huron and Chicago on a 7-day basis, consistent with the other provisions of this section.	No change.	Concurs with Executive.	Concurs with Executive/Senate.		
(2) Any state subsidy for rail passenger service between Grand Rapids and Chicago and between Port Huron and Chicago shall be limited to an amount equal to revenue generated from operation of these routes, including, but not limited to, revenue from fares and concessions. The state subsidy shall not exceed \$7,100,000.00.	Strikes.	Retains current law.	Not included.		

DEPARTMENT OF TRANSPORTATION – Boilerplate

**FY 2006-07
CURRENT LAW**

FY 2007-08

EXECUTIVE

SENATE

HOUSE

CONFERENCE

(3) The rail carrier shall, as a condition to receiving a state operating subsidy, maintain a system to monitor, collect, and resolve customer complaints and shall make the information available to the department, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies.

Renumbers to subsection (2).

Retains current law.

Concurs with Executive/Senate.

(4) The department shall submit a report to both the house and senate appropriations committees and the house and senate fiscal agencies by January 1, 2007 that provides a 5-year history on services, ridership, and subsidies.

Strikes.

Concurs with Executive.

Concurs with Executive/Senate.
(not included)

(5) Future state support for the service between Grand Rapids and Chicago and Port Huron and Chicago is dependent on the department's ability to provide a plan and a contract for services that increase ridership and revenue, reduce operating costs, and improve on-time performance. The department shall include a section in the report required in subsection (4) detailing efforts to reduce the dependence on state operating subsidies and projected operating expenses for the next 2 years, and recommending service alternatives, for the Grand Rapids to Chicago service and the Port Huron to Chicago service.

Strikes.

Renumbers to subsection (4).

Renumbers to subsection (3).

Retains 1st sentence; strikes second sentence.

(6) No state subsidy shall be provided from the funds appropriated in part 1 if the chosen rail carrier is Amtrak and Amtrak discontinued service or any portion of the service between Port Huron and Chicago or Grand Rapids and Chicago during the preceding fiscal year, unless the discontinuance of service was for track maintenance or was caused by acts of God.

Strikes.

Renumbers to subsection (5).

Not included.

Sec. 714. (1) The department, in cooperation with local transit agencies, shall work to ensure that demand-response services are provided throughout Michigan. The department shall continue to work with local units of government to address the unmet transit needs in Michigan.

No change.

Concurs with Executive.

Concurs with Executive/Senate.

(2) The department shall report by March 1, 2007 on its efforts to implement this section over the past 2 years.

Strikes.

Updates calendar year.

Not included.

DEPARTMENT OF TRANSPORTATION – Boilerplate

FY 2006-07 CURRENT LAW	FY 2007-08			
	EXECUTIVE	SENATE	HOUSE	CONFERENCE
Sec. 721. For federal transit administration bus acquisition capital grants matched with CTF funds appropriated in part 1, transit agencies shall have 4 years from the federal approval date to carry out their projects. Contract line items unobligated 4 years after the federal approval date may be matched with CTF funds only up to 15% in the fifth and subsequent years. "Unobligated" means any line item in the contract that is not committed to a third party or purchase order. A waiver shall be granted by the department for an additional year with documented justification from the transit agency accompanied by a resolution from the board or authority seeking a waiver. If a transit agency does not carry out a line item activity in a specific authorization and the transit agency requests funds in a new authorization for that same activity, the line item shall be matched at up to 15%. This section applies only to bus acquisition capital grants. Lapsed funds under this section shall remain in the CTF.	No change.	Concurs with Executive.	Concurs with Executive/Senate.	
Sec. 722. From the funds appropriated in part 1 for transportation to work from the CTF, sufficient funds shall be used as a match for job access reverse commute grants for local transit agencies.	Strikes.	Retains current law.	Retains current law.	
Sec. 729. From the funds appropriated in part 1 for intercity bus service development, \$100,000.00 shall be used for lost ridership support and/or marketing efforts to increase awareness of intercity bus service, increase ridership on intercity bus carriers, and improve coordination of intercity bus service in Michigan.	Strikes.	Retains current law.	Not included.	
Sec. 730. The department shall sell all state-owned intercity bus equipment within 6 months of termination of lease agreements with intercity bus carriers. The proceeds from the sale of state-owned intercity bus equipment under this section shall be deposited in the intercity bus equipment fund, consistent with section 701.	Strikes.	Retains current law.	Retains current law.	
Sec. 731. The department shall charge public transit agencies and intercity bus carriers equal rates per square foot for leasing space in state-owned intermodal facilities.	Strikes.	Retains current law.	Retains current law.	
Sec. 732. (1) From the funds appropriated in part 1 for local bus operating, eligible authorities and eligible governmental agencies receiving grants under section 10e of 1951 PA 51, MCL 247.660e, shall equip vehicles with necessary operational lifts and certify to the department, in a format specified by the department, that those lifts are maintained and cycled on a regularly scheduled basis to ensure operability consistent with authority granted to the department under 1951 PA 51, MCL 247.651 to 247.675.	Strikes.	Retains current law.	Not included. (subsection 8 only)	

DEPARTMENT OF TRANSPORTATION – Boilerplate

**FY 2006-07
CURRENT LAW**

FY 2007-08

EXECUTIVE

SENATE

HOUSE

CONFERENCE

(2) By October 29, 2006, eligible authorities and eligible governmental agencies shall forward to the department and the senate and house fiscal agencies a report on the status of their fleet with respect to operational lifts pursuant to subsection (1). Eligible authorities and eligible governmental agencies shall specifically include information in the report on the number and percentage of the fleet with operational lifts, and the number and percentage of the fleet with operational lifts that are not in working order.

Strikes.

Updates calendar year.

Not included.
(subsection 8 only)

(3) An eligible authority or eligible governmental agency that reports, pursuant to subsection (2), that vehicles currently eligible for or in active service have lifts that are not operational, shall certify to the department by December 31, 2006 that the nonoperational lifts have been repaired or replaced and are operational.

Strikes.

Updates calendar year.

Not included.
(subsection 8 only)

(4) By April 1, 2007, the department director shall certify, in writing, to the senate and house appropriations subcommittees on transportation, senate and house fiscal agencies, and the state budget director that the information provided by each eligible authority or eligible governmental agency under subsections (2) and (3) is accurate to the best of the director's knowledge. In the event that the department director finds that the information provided by each eligible authority or eligible governmental agency under subsections (2) and (3) is inaccurate, the director shall notify the eligible authority or eligible governmental agency of the inaccuracies and require submission of a corrected report.

Strikes.

Updates calendar year.

Not included.
(subsection 8 only)

(5) Eligible authorities and eligible governmental agencies that report, pursuant to subsection (2), nonoperational lifts on vehicles currently eligible for or in active service, and who are unable to certify, pursuant to subsection (3), that lifts have been repaired or replaced by December 31, 2006, shall not receive 25% of their monthly local bus operating grant, beginning January 1, 2007. Persons 65 years of age or older and persons with disabilities shall be exempt from fare box charges for the period an eligible authority or eligible governmental agency has funds withheld pursuant to this subsection.

Strikes.

Updates calendar year.

Not included.
(subsection 8 only)

(6) If the eligible authority or eligible governmental agency certifies on or before April 30, 2007 that lifts reported as nonoperational pursuant to subsections (3) and (4) are now operational, funds withheld during the period subsequent to December 31, 2006 shall be forwarded to the applicable eligible authority or eligible governmental agency. If the applicable lifts are not operational by April 30, 2007, funds withheld pursuant to subsection (4) shall be forfeited and deposited to the comprehensive transportation fund.

Strikes.

Updates calendar years.

Not included.
(subsection 8 only)

DEPARTMENT OF TRANSPORTATION – Boilerplate

	FY 2006-07 CURRENT LAW	FY 2007-08			
		EXECUTIVE	SENATE	HOUSE	CONFERENCE
(7) The department shall report to the senate and house appropriations subcommittees on transportation, senate and house fiscal agencies, and the state budget director on September 30, 2007, regarding actions taken with respect to implementation of this section.	Strikes.	Updates calendar year.	Not included. (subsection 8 only)		
(8) The department shall ensure that transit agencies have adequate wheelchair lifts available on demand response vehicles to meet the needs of persons with disabilities.	Strikes.	Retains current law.	Sec. 732 . The department shall work with local transit agencies to ensure that transit vehicles have adequate wheelchair lifts available on demand response vehicles to meet the needs of persons with disabilities.		
Sec. 734. (1) The department shall ensure that all public transit agencies provide the highest quality public transit service by moving people in a cost-effective, safe, and user-friendly manner that maintains and attracts residents and businesses.	Strikes.	Retains current law.	Not included.		
(2) Public transit agencies receiving funds under part 1 shall do all of the following: (a) Provide efficient, cost-effective, safe, well-maintained, reliable, customer-driven transportation services. (b) Provide a quality work environment that has and fulfills employee performance, productivity, and development standards. (c) Identify and capture all available funding or create cost-effective programs to eliminate debt and have a balanced budget. (d) Maintain sufficient local and community funding. (e) Support business development by providing transportation to areas of employment and commerce, emerging or established businesses, and health care facilities.	Strikes.	Retains current law.	Not included.		
Sec. 736. From the funds appropriated in part 1, the department shall work with intercity rail and bus passenger carriers to coordinate intercity passenger transportation in Michigan. The department shall assist in the coordination of intercity routes, schedules, and facilities.	Strikes.	Retains current law.	Not included.		
Sec. 737. It is the intent of the legislature that the department proceed with the construction of a Birmingham/Troy intermodal passenger facility.	Strikes.	Retains current law.	Not included.		
Sec. 738. It is the intent of the legislature that sufficient funds be allocated from the appropriation in section 117 to complete the rehabilitation of rail track between Hillsdale to Quincy.	Strikes.	Concurs with Executive.	Concurs with Executive/Senate (Not included.)		

DEPARTMENT OF TRANSPORTATION – Boilerplate

	FY 2007-08			
	FY 2006-07 CURRENT LAW	EXECUTIVE	SENATE	HOUSE
Sec. 739. Eligible authorities and eligible governmental agencies receiving grants from funds appropriated in this article shall not assign buses longer than 40 feet to fixed route service if a reasonable estimate of ridership does not warrant the use of such large-capacity vehicles.	Strikes.	Replaces "article" with "act".	Not included.	
		New section: Sec. 740. The department shall report by March 1 of each year to the house of representatives and senate appropriations subcommittees on transportation, the house and senate fiscal agencies, and the state budget director the encumbered and unencumbered balances of the comprehensive transportation fund.	Not included. [drafting error; omitted in error]	
		New section: Sec. 741. The department shall report by October 1, 2007 to the house of representatives and senate appropriations subcommittees on transportation, the house and senate fiscal agencies, and the state budget director on progress made to improve the Ann Arbor railroad's track infrastructure for the purpose of supporting passenger train speed of 59 miles per hour.	Not included.	
<u>AERONAUTICS FUND</u>				
Sec. 801. At the close of the fiscal year, any unobligated and unexpended balance in the state aeronautics fund created in the aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.1 to 259.208, shall lapse to the state aeronautics fund and be appropriated by the legislature in the immediately succeeding fiscal year.	No change.	Retains current law.	Concurs with Executive/Senate.	
Sec. 805. State aeronautics funds appropriated in part 1 for airport safety and protection plan debt service are transferred to the comprehensive transportation fund and are appropriated for the purpose of reimbursing comprehensive transportation fund debt service obligations for the airport safety and protection plan program.	No change.	Retains current law.	Concurs with Executive/Senate.	